

MINUTES

MONTANA SENATE 65th LEGISLATURE - REGULAR SESSION

COMMITTEE ON TAXATION

Call to Order: Chair Mark Blasdel, on March 24, 2017 at 8:00 AM, in Room 405 Capitol

ROLL CALL

Members Present:

Sen. Mark Blasdel, Chair (R)
Sen. Roger Webb, Vice Chair (R)
Sen. Dick Barrett (D)
Sen. Jill Cohenour (D)
Sen. Brian Hoven (R)
Sen. Sue Malek (D)
Sen. Edith (Edie) McClafferty (D)
Sen. JP Pomnichowski (D)
Sen. Tom Richmond (R)
Sen. Russel (Russ) Tempel (R)
Sen. Scott Sales (R)
Sen. Fred Thomas (R)

Members Excused: None

Members Absent: None

Staff Present: Jaret Coles, Legislative Branch
Julie Emge, Committee Secretary

Audio Committees: These minutes are in outline form only. They provide a list of participants and a record of official action taken by the committee. The link to the audio recording of the meeting is available on the Legislative Branch website.

Committee Business Summary:

Hearing & Date Posted: SB 359, 3/21/2017

Executive Action: SB 333 - DO PASS AS AMENDED
HB 516 - BE CONCURRED IN AS AMENDED
SB 105 - VOTE TIED
SB 156 - DO PASS AS AMENDED
SB 244 - TABLED; SB 253 - TABLED
SB 327 - TABLED; SB 328 - TABLED
SB 347 - DO PASS; SB 349 - TABLED
SB 317 - DO PASS AS AMENDED

Vice Chair Webb assumed the role as Chair.

HEARING ON SB 359

Opening Statement by Sponsor:

00:01:15 Sen. Mark Blasdel (R), SD 4, opened the hearing on SB 359, Providing for property tax incentives for qualified data centers.

Proponents' Testimony:

00:02:50 Mike Green, representing himself
00:10:12 Don Seifert, county commissioner, Gallatin County; chairman, Northern Rocky Mountain Economic Development District (NRMEDD)

EXHIBIT(tas61a01)

00:14:04 Mike Sheard, CEO, iConnect Montana (iCMT)
00:16:56 Geoff Feiss, general manager, Montana Telecommunications Association
00:18:34 Mike Hedegaard, program director, Northern Rocky Mountain Economic Development District (NRMEDD)
00:20:30 Bob Story, Montana Taxpayers Association

Opponents' Testimony:

00:21:32 Mike Kadas, director, Department of Revenue (DOR)

Informational Testimony: None

Questions from Committee Members and Responses:

00:23:08 Sen. McClafferty
00:23:29 Mr. Hedegaard, NRMEDD
00:23:48 Sen. McClafferty
00:25:28 Mr. Kadas, DOR
00:26:07 Sen. Tempel
00:27:05 Mr. Green, self
00:27:51 Sen. Cohenour
00:28:34 Mr. Kadas
00:28:50 Sen. Cohenour
00:29:24 Mr. Hedegaard
00:30:31 Sen. Hoven
00:30:57 Mr. Seifert, NRMEDD
00:31:09 Sen. Hoven
00:31:15 Mr. Green

00:31:52 Sen. Thomas entered the hearing.

00:32:20 Sen. Hoven
00:32:41 Mr. Green
00:33:24 Sen. Hoven

00:34:36 Mr. Hedegaard
 00:34:42 Sen. Hoven
 00:34:55 Sen. Pomnichowski
 00:39:47 Mr. Seifert
 00:40:11 Sen. Pomnichowski
 00:42:03 Mr. Kadas
 00:42:18 Sen. Barrett
 00:42:48 Mr. Kadas
 00:42:51 Sen. Barrett
 00:45:55 Mr. Sheard, iCMT
 00:47:23 Sen. Webb
 00:48:54 Mr. Sheard
 00:49:38 Sen. Malek
 00:51:20 Mr. Seifert

Closing by Sponsor:

00:52:15 Sen. Blasdel

Sen. Blasdel resumed the role as Chair.

00:54:02 Recess
 01:13:34 Reconvene

01:13:39 Sen. Sales entered the hearing.

01:14:06 Chair Blasdel

EXECUTIVE ACTION ON SB 333

01:14:44 **Motion:** Sen. R. Webb moved that **SB 333 DO PASS.**

Discussion:

01:15:11 Chair Blasdel
 01:15:41 Sen. Webb
 01:16:18 Chair Blasdel
 01:16:30 Sen. Pomnichowski
 01:16:46 Jaret Coles, Legislative Services Division (LSD)

01:16:57 **Motion:** Sen. Pomnichowski moved that **SB 333 BE AMENDED.**
[EXHIBIT\(tas61a02\)](#)

Discussion:

01:17:24 Sue O'Connell, Legislative Services Division (LSD)
 01:18:41 Sen. Pomnichowski
 01:19:03 Ms. O'Connell, LSD
 01:19:34 Sen. Hoven
 01:20:31 Ms. O'Connell

01:20:41 Sen. Malek
01:21:00 Ms. O'Connell

01:21:19 **Vote:** Motion carried unanimously by voice vote.

01:21:39 Chair Blasdel
01:21:56 Sen. Barrett

01:22:06 **Motion:** Sen. Malek moved that **SB 333 BE AMENDED.**
EXHIBIT(tas61a03)

Discussion:

01:23:45 Sen. Webb

01:24:09 **Vote:** Motion failed 1-11 by roll call vote with Sen. Malek voting aye.

01:25:18 Sen. Malek left the hearing.

01:25:29 Chair Blasdel
01:25:34 Sen. Webb
01:25:36 Chair Blasdel
01:25:51 Sen. Cohenour
01:25:57 Chair Blasdel

01:26:14 **Motion/Vote:** Sen. Cohenour moved that **SB 333 BE AMENDED.** Motion failed 1-11 by voice vote with Sen. Cohenour voting aye.
EXHIBIT(tas61a04)

01:26:21 Chair Blasdel

01:26:46 **Motion:** Sen. R. Webb moved that **SB 333 BE AMENDED.**
EXHIBIT(tas61a05)

Discussion:

01:27:53 Mr. Coles, LSD

01:28:26 **Vote:** Motion carried unanimously by voice vote. Sen. Malek voted by proxy.

01:28:49 Chair Blasdel

01:28:57 **Motion:** Sen. Cohenour moved that **SB 333 BE AMENDED.**
EXHIBIT(tas61a06)

Discussion:

01:29:25 Mr. Coles

01:31:34 **Vote:** Motion carried 11-0 by voice vote. Sen. Malek was excused.

01:31:46 **Motion:** Sen. Hoven moved that **SB 333 BE AMENDED.**
[EXHIBIT\(tas61a07\)](#)

Discussion:

01:33:05 Sen. Cohenour

01:33:16 **Vote:** Motion carried 9-2 by voice vote with Sen. Blasdel and Sen. Thomas voting no. Sen. Malek was excused.

Discussion:

01:33:48 Sen. Barrett

01:33:52 Chair Blasdel

01:33:55 **Motion:** Sen. Hoven moved that **SB 333 BE AMENDED.**
[EXHIBIT\(tas61a08\)](#)

Discussion:

01:34:26 Sen. Cohenour

01:35:23 Sen. Barrett

01:36:21 Sen. Hoven

01:36:29 **Vote:** Motion carried 8-3 by roll call vote with Sen. Barrett, Sen. Cohenour and Sen. McClafferty voting no. Sen. Malek was excused.

01:37:32 **Motion:** Sen. Hoven moved that **SB 333 BE AMENDED.**
[EXHIBIT\(tas61a09\)](#)

Discussion:

01:38:06 Sen. Cohenour

01:38:28 Brian Watson, Department of Public Health and Human Services (DPHHS)

01:38:38 Chair Blasdel

01:38:46 Sen. Cohenour

01:39:44 Sen. Hoven

01:40:16 **Vote:** Motion carried 8-3 by roll call vote with Sen. Cohenour, Sen. Pomnichowski and Sen. Thomas voting no. Sen. Malek was excused.

01:41:12 Chair Blasdel

01:41:26 **Motion:** Sen. Cohenour moved that **SB 333 BE AMENDED.**
[EXHIBIT\(tas61a10\)](#)

01:42:35 Sen. Malek entered the meeting.

Discussion:

01:43:44 Sen. Malek
01:44:30 Sen. Hoven
01:44:51 Sen. Cohenour

01:45:15 **Vote:** Motion carried 11-1 by voice vote with Sen. Malek voting no.

01:45:29 Chair Blasdel

01:45:36 **Motion:** Sen. Hoven moved that **SB 333 BE AMENDED.**
EXHIBIT(tas61a11)

Discussion:

01:46:11 Sen. Cohenour
01:46:40 Sen. Malek
01:47:35 Sen. Hoven
01:47:44 Sen. Cohenour
01:49:16 Mr. Watson, DPHHS
01:50:16 Ms. O'Connell
01:50:48 Sen. Hoven
01:50:55 Sen. Barrett

01:51:46 **Vote:** Motion carried unanimously by voice vote.

Discussion:

01:52:00 Sen. McClafferty
01:52:09 Chair Blasdel

01:52:24 **Motion:** Sen. R. Webb moved that **SB 333 BE AMENDED.**
EXHIBIT(tas61a12)

Discussion:

01:52:44 Mr. Coles
01:53:05 Sen. McClafferty
01:53:28 Sen. Malek
01:54:58 Ms. O'Connell
01:55:34 Sen. Cohenour
01:56:03 Sen. McClafferty

01:56:23 **Vote:** Motion carried 10-2 by voice vote with Sen. Barrett and Sen. Pomnichowski voting no.

01:56:40 **Motion:** Sen. Hoven moved that **SB 333 BE AMENDED.**
EXHIBIT(tas61a13)

Discussion:

01:57:18 Sen. Pomnichowski
01:58:02 Sen. Hoven
01:58:11 Mr. Coles
01:58:39 Sen. Cohenour

01:59:04 **Vote:** Motion carried unanimously by voice vote.

01:59:15 **Motion:** Sen. Barrett moved that **SB 333 BE AMENDED.**
EXHIBIT(tas61a14)

Discussion:

01:59:41 Sen. Malek
02:00:42 Sen. Barrett
02:01:15 Sen. Malek

02:01:48 **Vote:** Motion carried 9-3 by voice vote with Sen. Cohenour, Sen. Malek and Sen. McClafferty voting no.

02:02:11 Chair Blasdel

02:02:29 **Motion:** Sen. R. Webb moved that **SB 333 BE AMENDED.**
EXHIBIT(tas61a15)

Discussion:

02:02:44 Ms. O'Connell
02:03:40 Sen. Cohenour
02:04:57 Mr. Watson

02:05:30 **Motion:** Sen. Cohenour moved that **SB 333 BE AMENDED CONCEPTUALLY.**

Discussion:

02:05:42 Chair Blasdel
02:05:57 Mr. Coles
02:06:02 Chair Blasdel

02:06:08 **Vote:** Motion carried unanimously by voice vote.

02:06:17 Chair Blasdel

02:06:26 **Motion:** Sen. R. Webb moved that **SB 333 BE AMENDED.**
EXHIBIT(tas61a16)

Discussion:

02:06:37 Ms. O'Connell

02:07:45 **Vote:** Motion carried unanimously by voice vote.

02:07:54 **Motion:** Sen. Hoven moved that **SB 333 BE AMENDED.**
EXHIBIT(tas61a17)

Discussion:

02:08:53 Sen. Pomnichowski
02:09:22 Chair Blasdel
02:10:25 Sen. Cohenour
02:10:42 Ms. O'Connell

02:11:18 **Substitute Motion:** Sen. Hoven made a substitute motion that **SB 333 BE AMENDED CONCEPTUALLY.**

Discussion:

02:11:31 Sen. Cohenour
02:11:40 Sen. Malek
02:12:05 Sen. Pomnichowski

02:12:58 Without objection, Sen. Hoven withdrew the substitute motion.

02:13:17 Sen. Tempel

02:13:36 **Vote:** Motion carried unanimously by voice vote.

02:13:44 Chair Blasdel

02:13:52 **Motion:** Sen. Hoven moved that **SB 333 BE AMENDED.**
EXHIBIT(tas61a18)

Discussion:

02:14:44 Sen. Webb
02:15:19 Sen. Malek
02:16:03 Sen. Cohenour

02:16:45 **Vote:** Motion carried 7-5 by roll call vote with Sen. Barrett, Sen. Cohenour, Sen. Malek, Sen. McClafferty and Sen. Pomnichowski voting no.

Discussion:

02:17:42 Mr. Coles
02:18:44 Chair Blasdel
02:18:47 Sen. Hoven
02:18:55 Chair Blasdel

02:18:59 **Motion/Vote:** Sen. Hoven moved that **SB 333 BE AMENDED CONCEPTUALLY.** Motion carried unanimously by voice vote.

02:19:10 **Motion:** Sen. R. Webb moved that **SB 333 DO PASS AS AMENDED.**

Discussion:

02:19:18 Chair Blasdel

02:19:31 **Vote:** Motion carried 9-3 by roll call vote with Sen. Blasdel, Sen. S. Sales and Sen. R. Webb voting no.

Discussion:

02:20:26 Chair Blasdel

02:20:39 Sen. Pomnichowski

02:21:12 Chair Blasdel

EXECUTIVE ACTION ON HB 516

02:22:06 **Motion:** Sen. R. Webb moved that **HB 516 BE CONCURRED IN.**

02:22:17 **Motion:** Sen. R. Webb moved that **HB 516 BE AMENDED.**
EXHIBIT(tas61a19)

Discussion:

02:22:23 Mr. Coles

02:22:53 **Vote:** Motion carried unanimously by voice vote.

02:23:34 **Motion:** Sen. Barrett moved that **HB 516 BE AMENDED.**
EXHIBIT(tas61a20)

Discussion:

02:24:00 Mr. Coles

02:24:35 Sen. Malek

02:25:51 Mr. Coles

02:25:59 Sen. Hoven

02:26:22 Chair Blasdel

02:26:42 Sen. Pomnichowski

02:27:12 **Vote:** Motion carried unanimously by voice vote.

02:27:20 **Motion/Vote:** Sen. R. Webb moved that **HB 516 BE CONCURRED IN AS AMENDED.** Motion carried unanimously by voice vote. Sen. Malek will carry the bill.

02:27:54 Sen. Thomas left the hearing.

EXECUTIVE ACTION ON SB 105

02:28:01 **Motion:** Sen. Barrett moved that **SB 105 DO PASS**.

Discussion:

02:29:07 Sen. Cohenour

02:29:48 **Vote:** Motion failed 6-6 by roll call vote with Sen. Barrett, Sen. Cohenour, Sen. Hoven, Sen. Malek, Sen. McClafferty and Sen. Pomnichowski voting aye. Sen. Thomas voted by proxy.

EXECUTIVE ACTION ON SB 156

02:31:09 Chair Blasdel

02:31:10 **Motion:** Sen. Cohenour moved that **SB 156 DO PASS AS AMENDED** (Bill was amended on 2/22/2017).

EXHIBIT(tas61a21)

Discussion:

02:31:16 Chair Blasdel

Discussion:

02:32:25 Chair Blasdel

02:32:37 **Vote:** Motion carried 8-4 by roll call vote with Sen. Blasdel, Sen. S. Sales, Sen. Thomas and Sen. R. Webb voting no. Sen. Thomas voted by proxy.

EXECUTIVE ACTION ON SB 244

02:33:55 **Motion:** Sen. R. Webb moved that **SB 244 DO PASS**.

02:34:10 Sen. Thomas entered the meeting.

Discussion:

02:34:34 Sen. Pomnichowski

02:34:59 **Vote:** Motion failed 3-9 by roll call vote with Sen. S. Sales, Sen. Thomas and Sen. R. Webb voting aye.

02:36:01 **Motion/Vote:** Sen. Pomnichowski moved that **SB 244 BE TABLED AND THE VOTE REVERSED**. Motion carried unanimously by voice vote.

EXECUTIVE ACTION ON SB 253

02:36:18 **Motion:** Sen. R. Webb moved that **SB 253 DO PASS**

Discussion:

02:36:24 Chair Blasdel

02:37:12 **Substitute Motion/Vote:** Sen. Blasdel made a substitute motion that **SB 253 BE TABLED**. Substitute Motion carried unanimously by voice vote.

EXECUTIVE ACTION ON SB 327

02:37:29 **Motion:** Sen. R. Webb moved that **SB 327 DO PASS**.

Discussion:

02:37:48 Chair Blasdel

02:38:00 Sen. Webb

02:38:30 Sen. Richmond

02:39:09 Sen. Hoven

02:39:58 **Vote:** Motion failed 2-10 by roll call vote with Sen. Blasdel and Sen. R. Webb voting aye.

02:40:46 **Motion/Vote:** Sen. Pomnichowski moved that **SB 327 BE TABLED AND THE VOTE REVERSED**. Motion carried unanimously by voice vote.

EXECUTIVE ACTION ON SB 328

02:41:18 **Motion:** Sen. Barrett moved that **SB 328 DO PASS**.

02:41:29 **Motion:** Sen. Barrett moved that **SB 328 BE AMENDED**.
[EXHIBIT\(tas61a22\)](#)

Discussion:

02:41:37 Mr. Coles

02:42:16 Sen. Barrett

02:42:27 **Vote:** Motion carried 11-1 by voice vote with Sen. S. Sales voting no.

02:42:36 **Motion:** Sen. Barrett moved that **SB 328 DO PASS AS AMENDED**.

Discussion:

02:42:45 Sen. Barrett

02:43:57 Sen. Cohenour

02:44:40 Sen. Malek

02:45:26 Sen. Barrett

02:45:53 **Vote:** Motion failed 4-8 by roll call vote with Sen. Barrett, Sen. Cohenour, Sen. Malek and Sen. McClafferty voting aye.

02:46:47 **Motion/Vote:** Sen. R. Webb moved that **SB 328 BE TABLED AND THE VOTE REVERSED**. Motion carried 11-1 by voice vote with Sen. Cohenour voting no.

EXECUTIVE ACTION ON SB 347

02:47:34 **Motion:** Sen. R. Webb moved that **SB 347 DO PASS**.

Discussion:

02:47:40 Chair Blasdel
02:47:51 Sen. Malek

02:49:11 **Vote:** Motion carried 7-5 by roll call vote with Sen. Barrett, Sen. Cohenour, Sen. Malek, Sen. McClafferty and Sen. Pomnichowski voting no.

EXECUTIVE ACTION ON SB 349

02:50:18 **Motion:** Sen. R. Webb moved that **SB 349 DO PASS**.

Discussion:

02:51:07 Sen. Cohenour
02:51:48 Sen. Webb
02:51:52 Sen. Pomnichowski

02:51:57 Sen. Thomas left the hearing.

02:53:08 Sen. Webb
02:54:58 Sen. Barrett
02:55:06 Sen. Webb
02:55:51 Sen. Cohenour
02:56:18 Sen. Webb
02:56:31 Mr. Coles
02:57:07 Sen. Tempel

02:57:25 **Vote:** Motion failed 5-7 by roll call vote with Sen. Blasdel, Sen. Hoven, Sen. Richmond, Sen. Thomas and Sen. R. Webb voting aye. Sen. Thomas voted by proxy.

02:58:15 **Motion/Vote:** Sen. Cohenour moved that **SB 349 BE TABLED AND THE VOTE REVERSED**. Motion carried unanimously by voice vote.

EXECUTIVE ACTION ON SB 317

02:58:34 Chair Blasdel

02:58:46 **Motion:** Sen. Hoven moved that **SB 317 DO PASS**.

Discussion:

02:59:05 Chair Blasdel

02:59:31 **Motion:** Sen. R. Webb moved that **SB 317 BE AMENDED.**

[EXHIBIT\(tas61a23\)](#)

[EXHIBIT\(tas61a24\)](#)

Discussion:

02:59:41 Sen. Webb

02:59:57 Sen. Cohenour

03:02:58 Chair Blasdel

03:03:01 Sen. Temple

03:03:25 **Vote:** Motion carried unanimously by roll call vote. Sen. Thomas voted by proxy.

03:04:05 **Motion/Vote:** Sen. R. Webb moved that **SB 317 DO PASS AS AMENDED.**
Motion carried 8-4 by roll call vote with Sen. Barrett, Sen. Cohenour, Sen. Malek
and Sen. Pomnichowski voting no. Sen. Thomas voted by proxy.

Committee Business:

03:05:07 Chair Blasdel

03:05:37 Sen. Barrett

03:06:10 Chair Blasdel

ADJOURNMENT

Adjournment: 11:11 AM

Julie Emge, Secretary

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Additional Documents:

EXHIBIT([tas61aad.pdf](#))